

**EVOS Restoration Acquisition of Small Parcels - Anchor
River, Kiliunda Bay, Soldotna, Valdez**

FY2009 Request: \$1,513,000
Reference No: 45262

AP/AL: Appropriation

Project Type: Renewal and Replacement

Category: Natural Resources

Location: Statewide

Contact: Leta Simons

House District: Statewide (HD 1-40)

Contact Phone: (907)465-2400

Estimated Project Dates: 07/01/2008 - 06/30/2010

Brief Summary and Statement of Need:

The EVOS Trustee Council is pursuing five small parcels determined to contribute to the restoration of resources and services injured by the Exxon Valdez oil spill. The Chokwak and Capjohn parcels are located on the north shore of Kiliuda Bay on Kodiak. The Russell/Long parcel is located in Soldotna between Centennial Park and the Soldotna Visitor's Center Fish Walk. The Mutch/Jacobs package is located at the mouth of the Anchor River and provides valuable sport fish access. US Survey 349 is located in Valdez on the Valdez Duck Flats between two parcels of public lands. Acquisition of these parcels will enhance access to public lands, assist in resource management, and provide benefits to local communities.

Funding:	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	Total
EVOSS	\$1,513,000						\$1,513,000
Total:	\$1,513,000	\$0	\$0	\$0	\$0	\$0	\$1,513,000

<input type="checkbox"/> State Match Required	<input checked="" type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	0
Totals:	0	0

Additional Information / Prior Funding History:

New Project - No Prior Funding History

Project Description/Justification:

Habitat protection has been a major component of the *Exxon Valdez* oil spill (EVOS) restoration process since its inception. The concept of habitat protection enjoyed strong public support during the development of the development of the Environmental Impact Statement and resulting Restoration Plan. Habitat protection is consistent with the terms of the settlement with Exxon and the Memorandum of Agreement that defines how the three State and three federal trustees will administer settlement funds. Trustee Council and congressional action in 1999 established a research and restoration sub-account and a habitat sub-account from which funds for these acquisitions will be drawn. No general funds will be used.

The acquisition of land or partial interests in land is intended to promote natural recover of spill-injured resources and services by removing the threat of additional development impacts. The small parcel process was revised and reaffirmed by the Trustee Council in August 2005 and is currently open and accepting nominations from willing sellers. The small parcel process considers parcels less than 1,000 acres relation to their anticipated benefit to resources and services, such as recreation, tourism, sportfishing, subsistence and commercial fishing, injured by the *Exxon Valdez* oil spill. The small parcel program also considers the unique benefits that small parcels can provide in relation to the surrounding environment, management units, and local communities. From the State's perspective, the small parcel program has, in addition to benefiting EVOS injured resources and service, provide unique benefits and opportunities to facilitate public access, address resource management issues, and provide benefits to local communities.

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To ensure fairness and due diligence on the part of the State and Federal governments, the small parcel program pays no more than Fair Market Value for parcels acquired, as determined by an EVOS adopted appraisal process. All parcels are appraised by a contract appraiser adhering to the Uniform Standards of Professional Appraisal Practice (USPAP) as adopted by the Appraisal Standards Board of the Appraisal Foundation and the Uniform Appraisal Standards for Federal Land Acquisitions (UASFLA). In addition, the EVOS appraisal process requires an independent review of the appraisal. This is done via contract to ensure objectivity. The small parcel program has been working on five small parcel packages. These projects provide benefits to local communities, residents, tourists, and injured resources and services.

Small parcels currently being considered by the Trustee Council include two small parcels are located on Kodiak Island on the north shore of Kiliuda Bay. Other small parcels being considered include a parcel fronting the Kenai River adjacent to the Soldotna Visitor's Center, a previously authorized parcel located in Valdez, along the Duck Flats, and a package of two previously authorized parcels located at the mouth of the Anchor River.

Parcel	Location	Acreage	Cost
Chokwak II	Kiliuda Bay, Kodiak	160 acres	\$160,000
Capjohn	Kiliuda Bay, Kodiak	160 acres	\$208,000
Russell/Long	Kenai River, Soldotna	3 acres	Estimated \$790,000
Mutch / Jacobs	Anchor River, Kenai	57 acres	\$175,000
USS 349	Duck Flats, Valdez	21 acres	Estimated \$180,000

The two Kodiak parcels, **Chokwak** and **Capjohn** are native allotments surrounded by state-owned lands. The Trustee Council recently authorized the purchase of the Chokwak II parcel. The Trustee Council will consider the Capjohn parcel after BIA has approved the appraisal. Both parcels are surrounded by state lands and because of their location provide protected and relatively easy access to adjacent state lands for hunting, fishing, and subsistence activities. The Capjohn parcel is located in the north arm of Kiliuda Bay, is bisected by an anadromous stream, and provides protected access to state lands in this drainage. The Chokwak parcel is located between Shearwater Point and Coxcomb Point. The parcel provides access to surrounding state lands and contains an anadromous stream.

The **Russell/Long** parcel is located on the Kenai River and provides a valuable opportunity to connect public land and facilities at the Soldotna Visitor's Center (Fish Walk) with Centennial Park, just down stream. The parcel will be managed jointly by the departments of Natural Resources (DNR) and Fish and Game (ADF&G). The parcel protects important riparian habitat and provides valuable public access to the Kenai River and connects popular public facilities.

The Nature Conservancy (TNC) purchased the Mutch/Jacobs package using a North American Wetlands Conservation Act Grant awarded through ADF&G following consultation and coordination with ADF&G and DNR. Both agencies have management responsibilities on adjacent land and in this area. TNC received authorization for \$175,000 to be used as grant match from the Trustee Council in August 2005. The parcels have not been transferred to the State as anticipated due to survey issues. Those issues have been resolved. This area is popular for recreation and sportfishing and acquisition will enhance access, facilitate fisheries management, and resolve trespass issues. These parcels will be managed jointly by ADF&G and DNR.

The Trustee Council previously considered US Survey 349 located on the Valdez Duck Flats, in 1998. Due to title issues, the parcel was not ready for final Trustee Council consideration. Title issues have recently been resolved through court action and the court's representative has nominated the parcel for Trustee Council consideration. This parcel provides valuable wetland habitat that supports migratory birds and salmon, and is adjacent to public lands used for recreational purposes by residents of Valdez. Acquisition is consistent with the "Conceptual Plan for the Duck Flats" developed by the Prince William Sound Economic Development Council in cooperation with the City of Valdez through an EVOS restoration project. The parcel will be managed by ADF&G.

Why is this Project Needed Now?:

Should these funds not be authorized, the acquisitions will likely not go forward. Landowners will find other interested buyers and these opportunities to address access issues in Kodiak, Kenai and Valdez will be lost. As evidenced by the loss of traditional access along the Chugach State Park, Municipality of Anchorage interface, the public's ability to access parklands using traditional access routes diminishes as communities and populations grow and expand. Taking steps to address access issues now will likely be more cost effective as settlement funds are available now and land continues to appreciate.

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Specific Spending Detail:

LINE ITEM	DOLLAR AMOUNT
Capital Outlay	\$ 1,513,000

Project Support:

Project support is generally locally based for the small parcel program. In addition organizations such as The Conservation Fund, Kodiak Brown Bear Trust, The Nature Conservancy, Rocky Mountain Elk Foundation, and other hunting and fishing interest groups are supportive of projects providing additional access to and opportunities to enjoy state lands and resources.

Project Opposition:

There may be individuals who have a philosophical objection to placing additional land in state management. Other individuals may question the process used to determine purchase price however, federal grant programs will not consider purchases in excess of Fair Market Value and the Trustee Council Appraisal instructions clearly limit value to an economic value as determined by an appraisal consistent with Uniform Standards of Professional Appraisal Practice (USPAP) as adopted by the Appraisal Standards Board of the Appraisal Foundation and the Uniform Appraisal Standards for Federal Land Acquisitions (UASFLA).